

# TECHNICAL MEMORANDUM

## Utah Coal Regulatory Program

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January 21, 2009

TO: Internal File

FROM: Priscilla Burton, CPSSc, Environmental Scientist, III. *pbm/sos*

RE: Mid-term Review, Horizon Mine, C/007/0020, UtahAmerican Energy, Task ID #3076.

### **SUMMARY:**

The mid-term review commenced on October 27, 2008. Several ownership and control issues have been identified.

### **TECHNICAL ANALYSIS:**

## **GENERAL CONTENTS**

### **IDENTIFICATION OF INTERESTS**

Regulatory Reference: 30 CFR 773.22; 30 CFR 778.13; R645-301-112

#### **Analysis:**

The MRP and Applicant Violator System information (ownership and control) must be updated for Hidden Splendor Resources, Inc.

Legal Financial information in the MRP is dated 2005. The 2006 annual report indicated that ownership and control changes were made during that year and that the changes were on file with the Division, but I could not find any such documents in the 2006 Incoming directory.

The Horizon Mine MRP America West Resources, Inc. (AWRI) is the parent company of Hidden Splendor Resources, Inc. and also the permittee for the Columbia exploration well. The OSM/AVS office has recently contacted Angela inquiring about the ownership of AWRI, because they are not listed as an entity in the AVS system.

**TECHNICAL MEMO**

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AWRI ownership and control information is not included in the Horizon Mine MRP. There is limited ownership information readily available on the web and I have sent that to file. But, in accordance with R645-301-112.300, I have requested the information directly from the permittee (Hidden Splendor Resources, Inc.), so that the information is current and is backed by Secretary signature.

**Findings:**

The Permittee must provide the following in accordance with:

**R645-301-112.200,** The MRP must provide a current address for the applicant and operator (a local address was used in the 2006 public notice document 0023.pdf).• Current name, address, telephone for person who will pay the abandoned mined land fee (current listing is Mrs Walker, who is deceased).•Secretary signature for Kit Pappas as authorized officer.

**R645-301-112.300,** Updated ownership and control information must be provided in the MRP and must include officer and directors for all entities and percent ownership where appropriate, with begin and end dates, accompanied by notarized, Secretary signature for each entity.

**R645-301-112.400,** Parent entity must be updated in the MRP and an ownership family tree must be provided showing percent ownership, where appropriate, and providing federal identification numbers for all entities on the family tree.

**R645-301-112.340,** Affiliated state permits must be identified in the MRP, along with the name of the permit holder and the relationship to the Horizon Mine i.e. Bronco Well held by America West Resources, Inc.

**R645-301-113,** Violation information for Hidden Splendor and affiliated companies (on the Organizational Family Tree) must be updated in the MRP.

**RECOMMENDATIONS:**

The ownership and control information must be requested and the AVS updated.